

SHASTA COUNTY ECONOMIC FORECAST

The Shasta County economy is growing at a healthy rate. In 2017 it generated 970 new jobs, representing a growth rate of 1.5 percent. By comparison, the statewide economy created jobs at a rate of 2.0 percent. The best performing industries in Shasta County were construction, retail, professional business services, and government.

The Shasta County economy is highly concentrated in a few primary industries. One of its largest sectors is government, which employs 13,000 workers and accounts for a fifth of the entire job market. Approximately half of these individuals work in public schools, while most of the rest work in local municipal agencies. A small number work in federal and state offices located within Shasta County.

The Shasta County economy is also heavily reliant on the healthcare sector. Healthcare agencies employ approximately 14,000 workers, many of which are located near the City of Redding.

The other major sectors are retail, leisure services, and professional services. Combined, these industries employed 23,000 people in 2017.

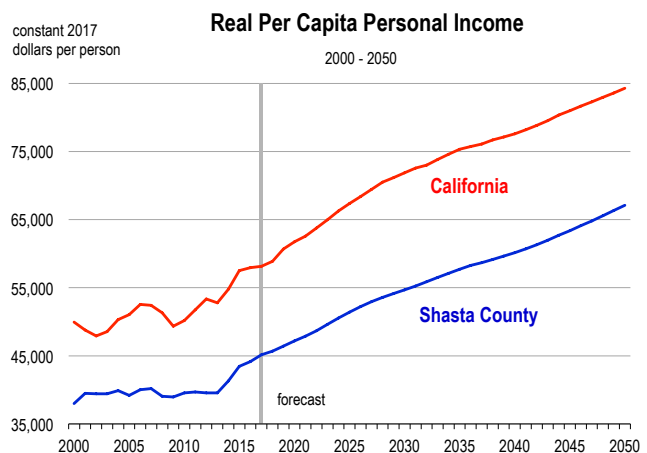
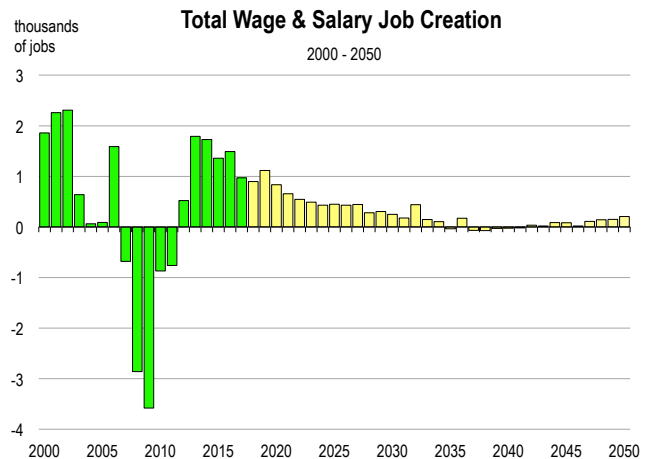
The unemployment rate improved substantially last year, falling from 7.0 percent in 2016 to 5.8 percent in 2017. The unemployment rate is near its lowest sustainable level, meaning that almost everyone who wants a job already has a job. Under such conditions, job creation is expected to decelerate, and improvements in the unemployment rate will become slower and more incremental.

From 2012 to 2017, the Shasta County population grew very slowly, increasing by less than 0.1 percent per year. All of this growth was driven by net migration (people moving into the county, less those moving out). During this span, an average of 240 net migrants entered the county each year.

Shasta County has an old resident base, with more people in retirement age than in the typical childbearing years. Because of this, deaths have outnumbered births by 110 per year. This dynamic is expected to continue over the forecast period, leading to very slow population growth.

FORECAST HIGHLIGHTS

- Job growth of 1.3 percent is expected in 2018. Between 2018 and 2023, the annual growth rate will average 1.1 percent.

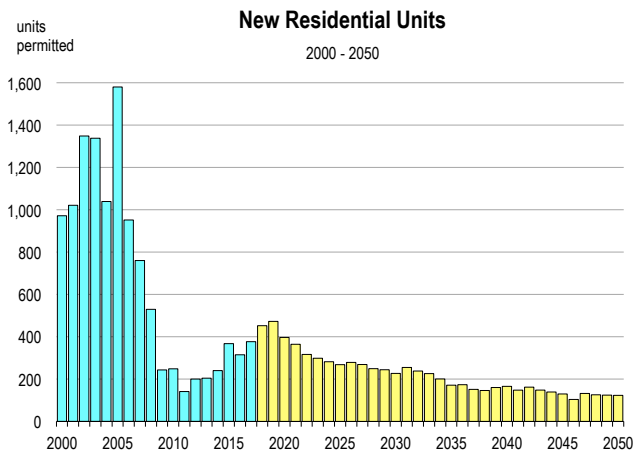
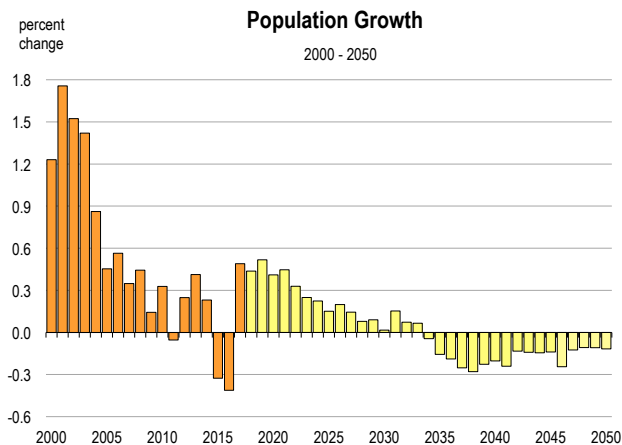


- Between 2018 and 2023, job creation will be concentrated in education and healthcare. This sector will account for 60 percent of net job creation in the county.
- Average salaries are below the California average, and will remain so over the foreseeable future. In Shasta County, inflation-adjusted salaries are expected to rise by 0.7 percent per year from 2018 to 2023, which will be slower than statewide growth.
- An average of 370 new homes will be built each year between 2018 and 2023. Virtually all of these will be single-family homes, and very few will be apartments.
- Population growth is expected to average 0.4 percent per year from 2018 to 2023. An average of 875 net migrants will enter the county each year, but deaths will outnumber births by 170 each year.

Shasta County Economic Forecast

2010-2017 History, 2018-2050 Forecast

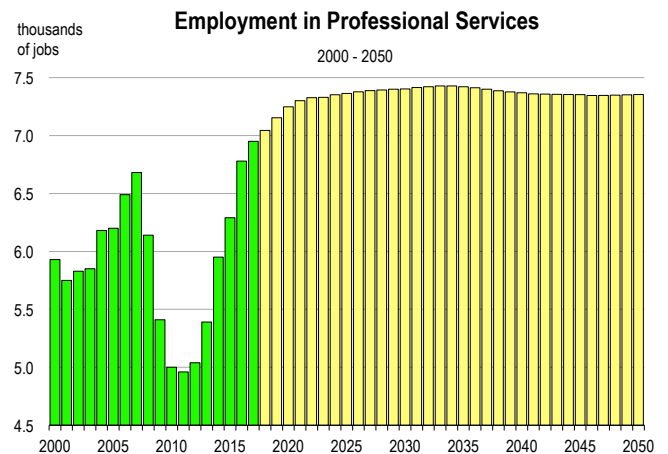
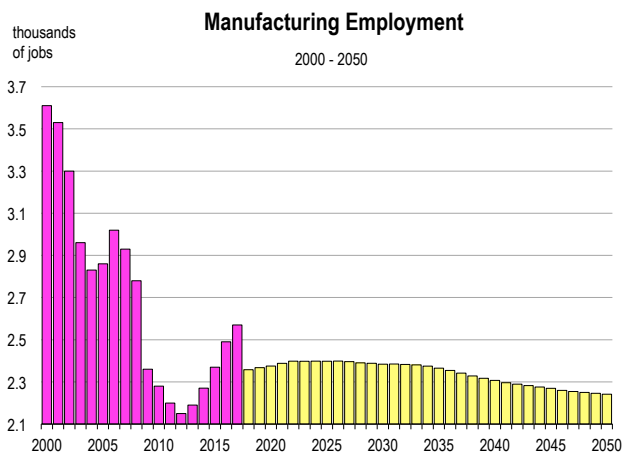
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2010	177,460	436	216.7	70.3	249	\$2.49	\$6.06	\$39,567	1.3	82.0	846.5	16.8
2011	177,364	-173	213.2	70.4	141	\$2.54	\$6.24	\$39,691	2.7	86.1	780.4	15.9
2012	177,804	387	207.4	70.4	200	\$2.64	\$6.37	\$39,558	2.7	85.3	782.1	14.2
2013	178,537	698	213.2	70.2	204	\$2.80	\$6.49	\$39,559	2.3	88.4	817.8	11.8
2014	178,949	389	212.3	70.2	240	\$2.82	\$6.92	\$41,319	2.8	93.6	872.1	9.6
2015	178,365	-495	215.3	70.3	368	\$2.87	\$7.36	\$43,452	2.6	85.2	907.9	7.8
2016	177,631	-586	219.0	70.3	315	\$2.96	\$7.62	\$44,151	3.1	83.5	928.2	7.0
2017	178,501	1,198	214.6	70.4	377	\$3.11	\$8.06	\$45,168	3.2	82.8	954.5	5.8
2018	179,281	954	216.5	70.9	452	\$3.25	\$8.46	\$45,681	3.7	83.1	944.2	5.2
2019	180,209	1,093	218.8	71.3	473	\$3.40	\$8.85	\$46,408	3.1	83.5	944.8	4.8
2020	180,948	904	220.5	71.8	397	\$3.56	\$9.34	\$47,196	4.1	83.8	956.9	5.1
2021	181,756	968	221.8	72.1	365	\$3.70	\$9.80	\$47,872	3.6	84.1	984.4	5.3
2022	182,354	772	222.9	72.5	317	\$3.88	\$10.27	\$48,696	3.5	84.5	1,007.5	5.3
2023	182,808	640	223.8	72.8	299	\$4.06	\$10.76	\$49,622	3.4	84.8	1,030.4	5.6
2024	183,218	606	224.7	73.1	282	\$4.25	\$11.26	\$50,545	3.3	85.1	1,053.9	5.7
2025	183,495	485	225.5	73.3	268	\$4.46	\$11.74	\$51,406	3.1	85.3	1,074.9	5.9
2026	183,860	580	226.4	73.6	279	\$4.65	\$12.21	\$52,208	3.1	85.6	1,096.8	6.1
2027	184,125	493	227.2	73.8	269	\$4.86	\$12.67	\$52,952	3.0	85.9	1,118.6	6.2
2028	184,271	384	227.8	74.1	249	\$5.08	\$13.12	\$53,590	3.3	86.1	1,139.1	6.3
2029	184,437	416	228.3	74.3	244	\$5.26	\$13.57	\$54,143	3.1	86.4	1,161.1	6.3
2030	184,468	291	228.8	74.6	227	\$5.45	\$14.01	\$54,698	3.0	86.6	1,182.8	6.3
2031	184,750	547	229.2	74.8	255	\$5.67	\$14.48	\$55,260	2.9	86.8	1,206.6	6.3
2032	184,885	405	230.0	75.0	238	\$5.90	\$14.99	\$55,882	3.1	87.0	1,230.1	6.3
2033	185,007	399	230.3	75.2	226	\$6.13	\$15.46	\$56,521	2.7	87.2	1,254.1	6.3
2034	184,925	202	230.5	75.4	201	\$6.37	\$15.94	\$57,121	2.9	87.4	1,277.0	6.4
2035	184,637	5	230.4	75.6	171	\$6.60	\$16.44	\$57,717	3.0	87.6	1,298.9	6.4
2036	184,288	-43	230.7	75.8	174	\$6.84	\$16.99	\$58,264	3.4	87.8	1,320.5	6.3
2037	183,824	-149	230.6	76.0	152	\$7.07	\$17.53	\$58,672	3.5	88.0	1,341.9	6.4
2038	183,311	-191	230.4	76.1	146	\$7.31	\$18.07	\$59,161	3.3	88.2	1,363.2	6.3
2039	182,895	-89	230.4	76.2	160	\$7.54	\$18.66	\$59,640	3.5	88.3	1,385.8	6.3
2040	182,524	-44	230.3	76.4	166	\$7.77	\$19.28	\$60,155	3.4	88.5	1,409.4	6.3
2041	182,085	-116	230.3	76.5	148	\$8.01	\$19.88	\$60,721	3.2	88.7	1,433.1	6.3
2042	181,843	71	230.4	76.7	162	\$8.24	\$20.51	\$61,319	3.1	88.8	1,458.8	6.3
2043	181,586	46	230.4	76.8	148	\$8.48	\$21.15	\$61,976	3.0	89.0	1,485.2	6.3
2044	181,323	30	230.6	77.0	139	\$8.71	\$21.80	\$62,724	2.8	89.1	1,512.0	6.3
2045	181,071	37	230.7	77.1	130	\$8.95	\$22.49	\$63,390	3.0	89.3	1,539.6	6.3
2046	180,629	-155	230.8	77.2	104	\$9.19	\$23.16	\$64,102	2.9	89.4	1,566.0	6.3
2047	180,404	49	231.0	77.3	132	\$9.44	\$23.88	\$64,816	2.9	89.6	1,594.8	6.3
2048	180,210	68	231.2	77.5	126	\$9.69	\$24.64	\$65,576	2.9	89.7	1,624.9	6.3
2049	180,014	53	231.5	77.6	124	\$9.96	\$25.42	\$66,333	2.9	89.8	1,655.6	6.3
2050	179,803	26	231.9	77.7	123	\$10.22	\$26.24	\$67,125	2.9	90.0	1,687.0	6.3

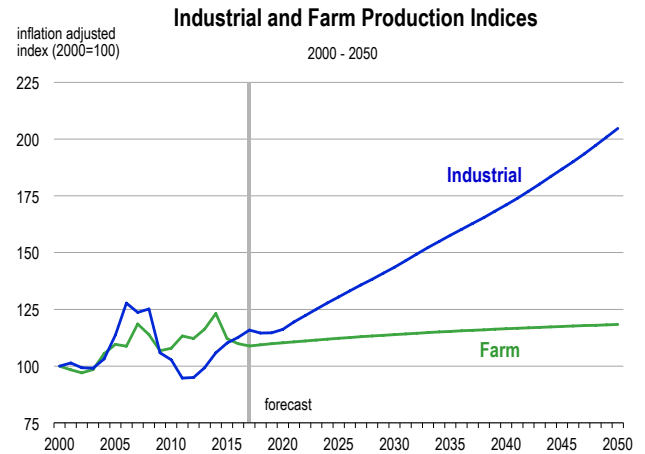
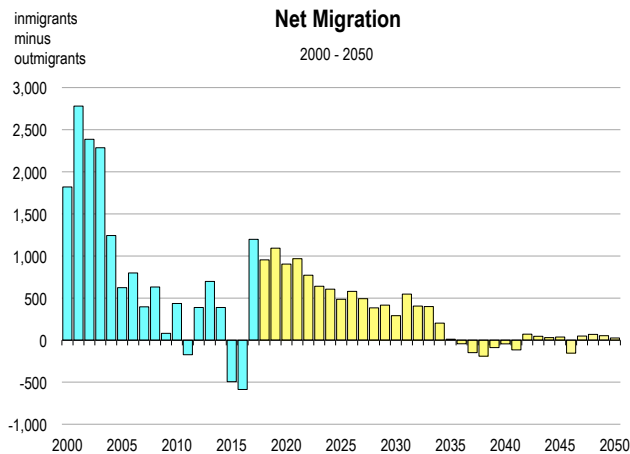
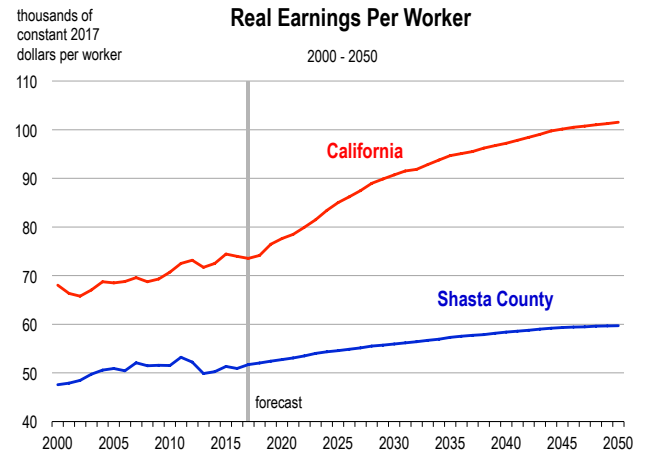
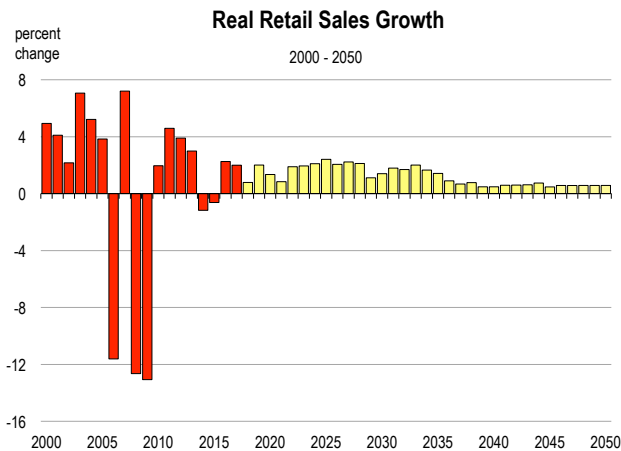


Shasta County Employment Forecast

2010-2017 History, 2018-2050 Forecast

	Total Wage & Salary	Farm	Natural Resources & Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
2010	59.89	0.69	2.71	2.28	1.73	10.20	2.48	5.00	0.64	12.91	6.12	12.81
2011	59.13	0.78	2.79	2.20	1.73	10.02	2.42	4.96	0.62	12.79	5.83	12.61
2012	59.65	0.80	2.70	2.15	1.70	10.06	2.42	5.04	0.60	12.88	6.29	12.48
2013	61.44	0.85	2.78	2.19	1.73	10.26	2.49	5.39	0.65	13.77	6.41	12.45
2014	63.17	0.93	2.78	2.27	1.76	10.47	2.58	5.95	0.70	14.11	6.60	12.64
2015	64.53	0.93	2.98	2.37	1.77	10.88	2.56	6.29	0.70	14.39	6.68	12.71
2016	66.02	0.89	3.13	2.49	1.78	11.06	2.58	6.78	0.70	14.76	6.70	12.83
2017	66.99	0.88	3.28	2.57	1.80	11.22	2.68	6.95	0.65	14.86	6.79	13.00
2018	67.89	0.88	3.26	2.36	1.80	11.29	2.72	7.04	0.65	15.39	6.86	13.27
2019	69.00	0.88	3.31	2.37	1.82	11.33	2.78	7.15	0.66	15.86	6.92	13.52
2020	69.84	0.88	3.35	2.38	1.84	11.36	2.79	7.25	0.66	16.31	6.97	13.64
2021	70.49	0.88	3.33	2.39	1.85	11.37	2.80	7.30	0.66	16.79	7.01	13.67
2022	71.04	0.88	3.30	2.40	1.87	11.40	2.83	7.33	0.66	17.18	7.04	13.70
2023	71.53	0.89	3.25	2.40	1.88	11.43	2.85	7.33	0.66	17.57	7.06	13.73
2024	71.96	0.89	3.21	2.40	1.89	11.46	2.87	7.35	0.67	17.87	7.08	13.77
2025	72.41	0.89	3.18	2.40	1.90	11.49	2.89	7.36	0.67	18.23	7.10	13.79
2026	72.84	0.89	3.16	2.40	1.91	11.52	2.91	7.38	0.67	18.55	7.12	13.81
2027	73.28	0.89	3.15	2.40	1.92	11.53	2.93	7.39	0.67	18.89	7.14	13.82
2028	73.56	0.89	3.14	2.39	1.93	11.57	2.95	7.39	0.67	19.09	7.15	13.82
2029	73.87	0.89	3.13	2.39	1.94	11.60	2.98	7.40	0.67	19.28	7.17	13.82
2030	74.12	0.89	3.13	2.38	1.94	11.64	3.00	7.40	0.67	19.44	7.19	13.81
2031	74.29	0.89	3.13	2.38	1.95	11.67	3.03	7.41	0.67	19.48	7.21	13.83
2032	74.73	0.89	3.13	2.38	1.96	11.70	3.05	7.42	0.68	19.81	7.22	13.83
2033	74.88	0.89	3.11	2.38	1.97	11.73	3.07	7.43	0.68	19.86	7.24	13.83
2034	74.98	0.90	3.11	2.37	1.98	11.76	3.09	7.43	0.68	19.90	7.26	13.82
2035	74.95	0.90	3.10	2.37	1.98	11.79	3.11	7.42	0.68	19.84	7.28	13.78
2036	75.12	0.90	3.10	2.35	1.99	11.82	3.12	7.41	0.68	19.99	7.29	13.74
2037	75.05	0.90	3.11	2.34	2.00	11.84	3.14	7.40	0.68	19.92	7.31	13.69
2038	74.98	0.90	3.13	2.33	2.00	11.87	3.15	7.39	0.68	19.85	7.32	13.64
2039	74.95	0.90	3.14	2.32	2.01	11.90	3.16	7.38	0.68	19.80	7.34	13.59
2040	74.93	0.90	3.16	2.31	2.01	11.93	3.17	7.37	0.68	19.74	7.36	13.56
2041	74.92	0.90	3.17	2.30	2.02	11.96	3.18	7.36	0.68	19.71	7.37	13.52
2042	74.96	0.90	3.18	2.29	2.02	11.98	3.20	7.36	0.68	19.69	7.39	13.49
2043	74.97	0.90	3.19	2.28	2.03	12.01	3.22	7.36	0.68	19.65	7.40	13.47
2044	75.05	0.90	3.20	2.28	2.03	12.04	3.23	7.35	0.68	19.68	7.42	13.45
2045	75.14	0.90	3.21	2.27	2.04	12.07	3.25	7.35	0.69	19.70	7.43	13.43
2046	75.15	0.90	3.22	2.26	2.04	12.10	3.26	7.35	0.69	19.69	7.45	13.40
2047	75.26	0.90	3.22	2.25	2.04	12.12	3.28	7.35	0.69	19.73	7.46	13.38
2048	75.40	0.90	3.23	2.25	2.05	12.15	3.29	7.35	0.69	19.80	7.48	13.37
2049	75.55	0.90	3.24	2.25	2.05	12.18	3.31	7.35	0.69	19.87	7.49	13.36
2050	75.76	0.91	3.25	2.24	2.06	12.21	3.33	7.35	0.69	19.99	7.51	13.35





County Economic and Demographic Indicators

Projected Economic Growth (2018-2023)

Expected retail sales growth:	8.3%
Expected job growth:	5.4%
Fastest growing jobs sector:	Health and Education
Expected personal income growth:	10.8%

Expected population growth:	2.0%
Net migration to account for:	100%
Expected growth in number of vehicles:	3.4%

Demographics (2018)

Unemployment rate (April 2018):	4.9%
County rank* in California (58 counties):	32nd
Working age (16-64) population:	60.2%

Population with B.A. degree or higher:	21.0%
Median home selling price (2017):	\$240,000
Median household income:	\$49,637

Quality of Life

Violent crime rate (2016):	717 per 100,000 persons
County rank* in California (58 counties):	56th
Average commute time to work (2018):	21 minutes

High school drop out rate (2017):	7.5%
Households at/below poverty line (2018):	12.0%

* The county ranked 1st corresponds to the lowest rate in California